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KMM/JFD

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
Civil No. _____

United States of America,

Plaintiff,

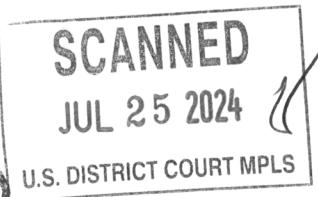
FILED UNDER SEAL

v.

1. Evergreen Recovery Inc.;
2. Evergreen Mental Health Services Inc.;
3. Ethos Recovery Clinic Inc.
4. Second Chances Recovery Housing Inc.
5. Second Chances Sober Living, Inc.;
6. David Backus;
7. Shawn Grygo; and
8. Shantel Magadanz,

Defendants.

**DECLARATION OF
EMILY M. PETERSON**



Emily M. Peterson, for her declaration pursuant to 28 U.S.C. § 1746, states as follows:

1. I am an Assistant United States Attorney and I represent the United States of America in this action.
2. The United States has not attempted to notify Defendants of its Motion for *Ex Parte* Temporary Restraining Order and other motions filed contemporaneously therewith, nor should such notice be given, for the following reasons:
 - A. The evidence set forth in the United States' Memorandum in Support of its *Ex Parte* Motion for Temporary Restraining Order and Other Equitable Relief and the Complaint in this matter shows that Defendants have engaged in health care fraud and violations of the

Anti-Kickback Statute. The evidence shows Defendants are perpetrating a scheme to defraud the United States, the State of Minnesota, and private Managed Care Organizations certified to provide Medicaid coverage in Minnesota by billing claims to Medicaid for services not provided and claims that were induced by kickbacks in the form of free housing.

- B. The fraud perpetrated by Defendants provides motivation and opportunity for dissipation of assets and destruction of records.
- C. There is good cause to believe that immediate and irreparable damage to the Court's ability to achieve effective final relief for the defrauded victims will occur from the sale, transfer, concealment, or other disposition by Defendants of their assets, and from the destruction, transfer, concealment, or other disposition of their records, if they are notified of the United States' Motion for a Temporary Restraining Order prior to a hearing hereon.

3. Accordingly, the United States respectfully submit that it is in the interest of justice and the public interest that its Motion for Temporary Restraining Order be heard without notice to Defendants, and that the file in this matter be placed under seal until the United States has notified the Court that Defendants have been served with the Complaint and Temporary Restraining Order sought here.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Dated: July 25, 2024

s/ Emily M. Peterson

BY: EMILY M. PETERSON
Assistant U.S. Attorney
Attorney ID No. 0395218